

Executive Registry

78-9218/15

4 December 1978

DD/A Registry

78-3401/7

NOTE FOR: DCI

I think that this is a useful report,
although I have some problems with it. I have
asked Jack Blake to send copies to the Deputy
Directors for comment.

STATINTL

DD DEC 1978

Good report

Frank Carlucci

ILLEGIB

Attachment:
Report of the Security
Review Task Force

*My decisions annotated. Hold
implementation until you
review Deputy's comments -*

STATINTL

Deputy Director for
National Foreign Assessment
7E 44 Hqs

DDA 78-3401/4

Attached is for your review and
comment to the DCI via DDCI and DDA.

John F. Blake, Deputy Director for
Administration, 7D 24 Hqs, [REDACTED]

4 Dec 78

STATINTL

Distribution:

O/DDA:kmg (4 Dec 78)

Orig RS - DD/NFA w/cy 13 of Att (by hand on 12/4/78)

Orig RS - DDO w/cy 14 of Att (by hand on 12/5/78)

Orig RS - DDS&T w/cy 15 of Att (by hand on 12/5/78)

Orig RS - DCI Admin (AO/DCI) w/cy 16 of Att (by hand on 12/5/78)

1 - DDA Subj w/cy 6 of Att

1 - DDA Chrono w/o Att

1 - JFB Chrono w/o Att

Att: "A Security Review of the Central Intelligence Agency"--Nov 78

78-3401/3

9 November 1978

MEMORANDUM FOR: Deputy Director of Central Intelligence

VIA: Acting Deputy Director for Administration

FROM: Robert W. Gambino
Director of Security

SUBJECT: Report of the Security Review Task Force

REFERENCES:

- a. Memo for DDA from DDCI dtd 18 Aug 1978,
subject: Request for a Security Review
and Assessment
- b. Memo for DDCI from DDA, dtd 31 Aug 1978,
subject: Security Review - Interim Report

1. Forwarded herewith is the Final Report of the Security Review Task Force which was established pursuant to Reference a. As indicated in the Interim Report (Reference b), the Task Force addressed itself to three topical areas: personnel security, physical security, and information control. Because of the limitation of time the report is not exhaustive, or totally definitive, especially with regard to resource allocation. Additional planning effort will be necessary to implement the substantive recommendations contained in this report.

2. This summary does not include a number of recommendations contained in working drafts which are less significant to the overall Agency security posture. Those which can be implemented within the present resource capability of the Office of Security have been or are being implemented. However, the Office of Security is not able to absorb additional programs which are manpower intensive. The core functions of this Office are being effectively accomplished today only because of many hours of voluntary uncompensated professional overtime. The time has come for bold action in terms of commitment of resources if the Agency is to significantly improve its security program.

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3. One of the concerns expressed by the Senate Select Committee on Intelligence, the question of whether new employees should immediately be given access to highly sensitive material, was not addressed in detail by the Task Force. Its inquiries, however, indicated that it would be counter-productive for this Agency, with its highly selective personnel, security and medical screening process, to limit new employees to nonsensitive and, consequently, nonproductive positions to further assess their security consciousness. In the specific case of the Operations Center, Dr. Sayre Stevens has indicated that he will personally insure that a careful review will be made of the personnel policies which involve the staffing of the Operations Center and that all alternatives will be explored prior to permitting vacancies to be filled by individuals recruited directly from outside the Agency.

25X1A 4. There is another area of interest in connection with a recent case which the Task Force did not pursue, i.e., improvements in lie detection and behavioral predictability. ORD has an ongoing research program in these vital fields in coordination with Office of Security and the Directorate of Operations. The ORD effort is funded for FY 1979 at the [REDACTED] level. 25X1A Unfortunately, 1980 funds have been cut to [REDACTED]. The Chief, SE Division, Chief, CI Staff, and myself are extremely interested in pursuing these objectives and are hopeful that current efforts, which are of an exploratory nature, can be refined to a point where they can be used in our vetting and selective processes in the near future. Obviously, additional funding for FY 1980 and out years will be required.

5. Technical assistance to document control is still being examined. The R&D Working Group of the Security Committee, in coordination with Agency components, is reviewing the possibility of diode technology, special papers and inks, and a number of other technical applications but, to date, these efforts have not been too encouraging.

6. The Area Security Officer concept (Recommendations 1 and 2), as the report points out, was adopted from the Office of Security, CIA, by NSA, where it is flourishing as a cornerstone of that agency's security program. At CIA, unfortunately, we have seen the concept subordinated to parochial staffing/budgetary interests to the point that it is virtually nonexistent. I fully endorse the revitalization of this program but it is one which has measurable impact on resources, both of the Office of Security and the components concerned, and, consequently, is a matter properly for your executive decision.

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7. I also endorse Recommendation 3 regarding security education and training; Recommendation 4 regarding reinvestigation and repolygraph at the end of a new employee's trial period; and Recommendation 5 which would amplify the scope of secret-level contractor clearance investigations. It is important to upgrade the requirements for access to secret material in anticipation of more conservative classification actions resulting from implementation of Executive Order 12065.

STATINTL 8. Many of the recommendations deal with improved document control, the necessity of which is clearly established in the report. The [REDACTED] study, as well as implementation of Executive Order 12065, should help reduce overcompartmentation and overclassification, both of which are root causes of the document control problems highlighted by the Task Force. However, there is major impact on resources, functions, and even organizational structure inherent in those recommendations which must be addressed carefully. I feel that Recommendations 15, 21, and 22 should be approved in any event because implementation will bring about greater document control without dramatic increase in current resources.

25X1A 9. I appreciate the trust implied in the fact that this study of security procedures and security-related matters was levied on the Office of Security in expectation that a no-holds-barred review would be conducted. I levied this assignment on the Task Force in the same spirit. Not everything in the report is the way I would like to have seen it come out but I think that the spirit of candor and self-criticism will ultimately pay dividends in necessary improvements in Agency security procedures.

[REDACTED]
Robert W. Gambino

Attachments

Distribution:

Orig - DDCI
1 - DCI
1 - ER
1 - DDA

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TAB

CONFIDENTIAL

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78-3401

Exemption Request
78-9918/2

18 August 1978

MEMORANDUM FOR: Deputy Director for Administration
FROM : Deputy Director of Central Intelligence
SUBJECT : The Kampiles Case - A Request for a Security Review
and Assessment

1. It is obvious from the events of the past 48 hours regarding the Kampiles case that it is necessary to commence immediately a total and comprehensive review of all personnel security, physical security, and procedure security activities of this Agency. This review should focus on the policy basis of our entire security program as well as the procedures that flow from these policies. I would expect this review to lead to the most comprehensive recommendations seen to be necessary to preclude any such happening again in our future.

2. I hereby task you to initiate such a comprehensive security review giving it your highest priority and personal attention.

3. I will expect your first interim report, after scoping the problem, to be in my hands no later than 1 September 1978.

25X1A



Frank C. Cartwright

TAB

78-3401/2

8 AUG 1978

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM: John F. Blake
Deputy Director for Administration

SUBJECT: Security Review - Interim Report

REFERENCE: Memorandum for DDA from DDCI, dated
18 August 1978, Subject: A Request
for a Security Review and Assessment

1. Action Requested: None; for information only.
2. Background: Following the mid-August 1978 revelation that a former Agency employee had sold classified information to the Soviets, you directed a comprehensive review of the Agency's security policies and procedures and called for an interim report by 1 September 1978. Subsequently, the Director has expanded the scope of the interim report to include: (a) a cataloging of specific improvements in the Agency's security program realized since his appointment and by his initiatives; and (b) a listing of procedures currently being initiated to further improve the security of classified information. Pursuant to those directions, this interim report is submitted.
3. Staff Position: In April 1977, following the revelations of the Moore and Boyce/Lee espionage cases, a comprehensive impact study was completed by the Office of Security. As a consequence, the Director caused several security initiatives and gave the necessary impetus to others which have been successfully implemented to the enhancement of Agency and Intelligence Community security. Agency programs successfully implemented include:
 - a. A rigorous staff personnel security reinvestigation program

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b. Expanded security education and reindoc-trination efforts throughout the Agency.

c. Enhancement of appraisal criteria in Industrial Security Approvals.

d. Initiation of the Industrial Contractor Polygraph Program.

e. Increased spot checks of briefcases, packages and parcels at all Agency facilities in the Washington Metropolitan area.

f. Initiation of a program of unannounced security audits of Agency contractor facilities.

g. Initiation of research to enhance security movement of classified information via tamper-resistant security containers and to preclude unauthorized reproduction of documents via use of special paper, special inks and other techniques.

h. A personal interest in and involvement by the Director and senior Agency managers in the adjudication and penalty assessment procedures involving Agency employees who have violated security regulations.

Programs initiated by the Director to tighten the security of the Intelligence Community have included:

a. The strengthening of the Director of Central Intelligence Security Committee as a focal point for reporting and tracking unauthorized disclosures and for raising security consciousness in the Community.

b. Maintaining a freeze since 1 June 1977 on the total number of sensitive compartmented clearances throughout the Community.

c. Initiation of a program to revalidate security clearances by effecting zero-based reviews in Intelligence Community and contractor facilities.

d. Directing contracting and legal authorities to strengthen the security provisions of contracts between commercial firms and Intelligence organizations.

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I can assure you the Director of Security has and is continuing to dedicate all available personnel resources, as well as his personal attention, to the programs outlined above.

In accordance with your specific request of 18 August 1978, a comprehensive review of the Agency's security policies and procedures has commenced.

During the week of 21 August the organization and staffing of a Security Review Task Force was undertaken. The Task Force will approach the review in three segments. Each segment staff will function under the leadership of a senior experienced officer. The segments will address, separately, Personnel Security, Physical Security, and Information Control and Protection. The magnitude of the task is awesome, and the Director of Security estimates a comprehensive review will require a minimum of sixty (60) days.

The Personnel Security Segment of the Task Force intends to investigate all periods of an employee's career from preemployment processing through post-employment counseling. It is their intent to survey personnel recruitment and assignment policies and procedures which are quite varied from directorate to directorate and from office to office. Although the emphasis in this segment will be on staff employees, the Task Force will also survey the several other types of individuals who are utilized by the Agency. The entire security clearance process from pre-field investigation to final adjudication will be reviewed, as will the vast number of policies and procedures that pertain during the employment phase.

The employment phase topics include security indoctrination/reindoctrination; marriage, including marriage to an alien; outside activities; handling of misconduct incidents; counterintelligence review of high risk personnel and organizational units; the reinvestigation program; security and suitability reviews for overseas candidates; Agency management responsibilities; and the Personnel Evaluation Board. Finally, the Agency's out-processing policies and procedures as well as current policies relative to post-employment counseling will be addressed under this segment.

The Task Force will exclude from its review the operational security policy procedures and practices concerning those individuals who are utilized by the Directorate of

Operations in an operational and informational capacity such as double agents and clandestine sources. That policy is a DDO responsibility.

The Physical Security Segment has an enormous task at hand. This segment will limit the scope of their review by concentrating primarily upon the physical security program as it is pursued within the Headquarters Building. The substantive areas which constitute the physical security program of the Agency can be examined in relation to operations within the Headquarters Building within a reasonable time frame. ~~STATINTL~~

Essentially our physical security policies and procedures at Headquarters have been adopted in our overseas facilities, and available resource and time constraints dictate that but cursory reference be given to the nature and scope of the overseas facilities during the survey. Similarly, this review will not specifically cover the physical security aspects of our industrial security program because that subject has been thoroughly reviewed during the past year. And finally, we consider the technical threat as well as the measures which have been implemented to counter this threat as beyond the scope of this review.

STATINTL

The Physical Security Segment of the Task Force will address thoroughly the policies and procedures pertaining to: perimeter security; building security; access controls for all types of people from staff employees to vendors; badges; entry and exit inspection procedures; internal personnel control; storage of classified information; the Agency's guard program; intrusion detection systems and other monitoring equipment; after hours security procedures and the security violation program.

The Information Control and Protection Segment proposes to review the application by CIA of directives and regulations governing the production, marking, classification, reproduction, transmission, inventory and overall control of classified information. These will be reviewed for current applicability to determine whether rules are being observed, and, if so, whether a significant measure of control results from their observance. The scope of this segment will include an inquiry into the level and efficiency of employee training in document control procedures; an examination of the possibility

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of handling information at lower levels of classification or compartmentation; exploration of methods to reduce the amount of classified material retained in the Agency; inquiry into the efficacy of current ADP and microform information control, and the state of pre-planning for future information technology requirements. Finally, we intend to examine alternative ways of controlling accountability for classified materials, including automated techniques.

Obviously, to conduct the survey effectively, the Task Force will require the complete cooperation of the Agency's population. For example, to meaningfully describe current procedures under the Personnel Security Segment is going to require close cooperation with several offices, especially the Office of Personnel and the Office of Medical Services. Furthermore, several offices throughout the Agency are involved in the recruitment of personnel, and their cooperation will also be necessary. Consequently, it is recommended that you solicit the cooperation of all directorates with the members of the Task Force.

The Task Force will approach its task by extensive documentary reviews, personal interviews both within and external to the Agency, and by discussion within the Task Force which will lead to a series of recommendations concerning the Agency's security program. The Task Force members have been exhorted to approach the task, particularly the recommendations, with absolute objectivity and personal integrity, as we view the review as an opportunity to assure our security policies and procedures are right for the time.

We envision a final report to be submitted to you by 3 November 1978. We expect that report to be in four parts: (a) a description of current policies and procedures; (b) analysis of current policies and procedures; (c) conclusions; and (d) recommendations.

The current review will be thorough. We anticipate specific recommendations pertaining to the restatement of the basic principle that Security is a command responsibility within the Agency, i.e., the responsibility of each manager and supervisor. Furthermore, we expect to relate the apparent deterioration in security discipline in the operating components to the reduction of professional security positions in those components over the past decade; in ten years the number of

Security careerists assigned to other TO's has dropped from [REDACTED] of those positions were located overseas and [REDACTED] were at Headquarters. These issues require orderly analysis before recommending specific changes.

Nevertheless, the urgency of the present situation calls for the implementation of improved procedures and new initiatives prior to completion of the formal review. Towards that end the following actions have been taken:

(a) Commencing 11 September 1978 the briefcase, package inspection program will be expanded and conducted by the Federal Protective Officers on a routine basis seven days a week and twenty-four hours a day.

(b) Commencing immediately, systematic counter-intelligence procedures will be established by the Office of Security to investigate employee accesses to secure areas outside of normal duty hours and to review the pattern of employee after-hours accesses to Headquarters area buildings.

(c) The Office of Security currently has ordered active studies into two methods of controlling document reproduction. One concept involves the modification of reproduction equipment to house a badge reader which would maintain accountability for all copies made at least to the extent of maintaining an audit trail of an individual employee's use of the equipment. The other concept involves development of a paper or print process which is not copiable.

(d) The Deputy Directors of the Agency are being directed, immediately, to establish positive, accountable document controls for particularly sensitive materials under their cognizance.

(e) Arrangements are being finalized for the Office of Security to conduct a series of briefings of senior staffs throughout the Agency. The briefings will comprehensively review security problems discovered during the past several months through the reinvestigation program, briefcase inspection program, etc., and will reemphasize the command and managerial responsibility in implementing sound security practices.

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(f) The Office of Security is reminding Agency managers that personnel are available as speakers, panelists, consultants, etc, to assist command channels in the security education and reindoctrination of small employee groups. As you know, the Office of Security recently completed a formal reindoctrination of the Agency population in a number of presentations to large audiences.

4. Conclusion: In accordance with the reference, I assure you that the Security Review is receiving the highest priority and my personal attention. The scope of the task, in my opinion, fully justifies a 3 November 1978 final reporting date.

John F. Blake


John F. Blake

Distribution:

Orig - Addressee
2 - DDA Chrono. Subject
1 - ER

STATINTL

ORIGINATOR:


Robert W. Gambino
Director of Security

31 Aug 1978
Date

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DD/A Registry

File *Special Security*

DDA 78-3401/1

25 August 1978

To: Bob [unclear]

MEMORANDUM FOR: Director of Central Intelligence
FROM: John F. Blake
Deputy Director for Administration

26 Aug 78

Stan:

1. Mindful of the Kampiles case [redacted] and your strong desire that we be more aggressive in the discharge of our security responsibilities, I am forwarding to you for your review the attached binder. We would have preferred to wait a little longer and presented you with a finished plan. I am sending you this working document, however, for two reasons. I do want you to know that we are marching forward on this front and, indeed, the work commenced before the Kampiles case surfaced. You might note that, at Attachment 8, Bob Gambino started seeking additional legal advice as to how far he could go on this matter from OGC on 27 June 1978. Secondly, you have asked that we commence a "selective spot check" in the buildings as of Monday morning. As I have reviewed this plan, the target date for implementation of which is 1 September, I am somewhat persuaded we would be better off to wait the extra week involved and have a capability to commence operation in a much more studied fashion.

25X1A

I don't want setting a specific time

2. I would appreciate your comments if you agree with this approach which the Office of Security has been working on and, additionally, if we can get into this new mode on 1 September.

Fine

John F. Blake

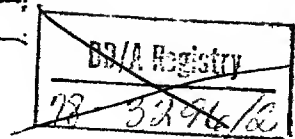
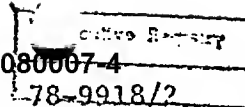
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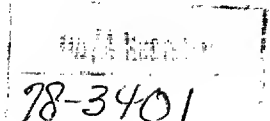
Distribution:

Orig - DCI w/att

1 - DDA w/o att



18 August 1978



MEMORANDUM FOR: Deputy Director for Administration
FROM : Deputy Director of Central Intelligence
SUBJECT : The Kampiles Case - A Request for a Security Review
and Assessment

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2. I hereby task you to initiate such a comprehensive security review giving it your highest priority and personal attention.

3. I will expect your first interim report, after scoping the problem, to be in my hands no later than 1 September 1978.



Frank C. Carlucci

25X1A

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E-2 IMPDET
CI. BY 40871

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EXECUTIVE SECRETARIAT (O/DCI)

Routing Slip

TO:		ACTION	INFO	DATE	INITIAL
1	DCI		X		
2	DDCI		X		
3	DD/RM				
4	DD/HFA		X		
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8	DD/S&T		X		
9	GC		X		
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SUSPENSE DATE:		1 September 1978			

Remarks:

D/ Executive Secretary
18 August 1978
Date

STATINTL

78-3401/546
not ret'd from
front office with
other material

Carol B
11/17/79

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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Security Task Force Report

FROM:

John F. Blake
Deputy Director for Administration

EXTENSION

NO.

DATE

29 December 1978

STATINTL

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S
INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1.

Director of Security
4 E 60

Bob,

2.

I am not sure whether you had seen the attached note. I am sure [REDACTED] and those who worked on the Task Force would be interested in the Director's comment.

3.

4.

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6.

7.

8.

9.

I have received the NFAC and DDO responses and will hold them until I receive responses from DDS&T and O/DCI. These will then be forwarded to you so that you may pull the comments together in some meaningful form to pass on to the DDCI.

John F. Blake

Att

10.

EO/DDA/[REDACTED] cn

11.

Distribution:

Orig PRS - D/Sec (w/att)

1 - DDA Subj (w/att)

1 - DDA Chrono (w/att)

1 - RFZ Chrono (w/att)

12.

13.

Att: Copy of Note from DDCI to DCI dtd 4 Dec 78 with handwritten note by DCI (ER 78-9918/15)

14.

15.